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C. DUKES SCOTT  
EXECUTIVE DIRECTOR

1000 Main Street, Suite 200  
Columbia, SC 29201



DAN EARNETT  
CHIEF OF STAFF

Main Line: 803 / 747-0000  
Local Department: 803 / 747-0011

**VIA U.S. MAIL**

February 21, 2007

D. Fred Allen  
Shoals Sewer Company, Inc.  
P.O. Box 68  
Smeads Ferry, NC 28460

FLORENCE P. BELSER  
GENERAL COUNSEL

COPY

Posted:

D. Duke

Dept:

SA

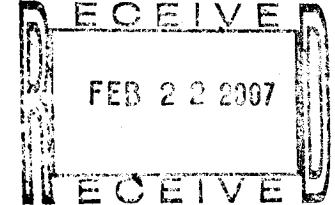
Date:

2-23-07

Time:

7:40

S. C. PUBLIC SERVICE COMMISSION



Re: Application of Shoals Sewer Company, Incorporated for Approval to Transfer Its Sewer Utility System and Territory Serving The Shoals Subdivision and Anchor Point Condominiums in Anderson County to Jay M. Salley and Bonnie J. Santos  
**Docket No. 2007-40-S**

Dear Mr. Allen:

Please find enclosed and served on you the Office of Regulatory Staff's Second Continuing Data Request in the above referenced matter. Please let me know if you have any questions.

Sincerely,

*Wendy B. Cartledge*

Wendy B. Cartledge

WBC/pjm

Enclosure

cc: Charles L.A. Terreni, Esquire (w/encl)  
Bonnie Santos  
Jay Salley

**BEFORE**  
**THE PUBLIC SERVICE COMMISSION**  
**OF SOUTH CAROLINA**  
**DOCKET NO. 2007-40- S**

IN RE: Application of Shoals Sewer	)	
Company, Inc. for Approval of	)	
Transfer of Sewer System to	)	
Jay M. Salley and Bonnie J. Santos	)	
<hr/>		
	)	<b>Office of Regulatory Staff's Second Continuing Data Request</b>

**TO: D. FRED ALLEN, PRESIDENT, FOR THE APPLICANT, SHOALS SEWER  
COMPANY ("Shoals" or "the Company")**

**INSTRUCTIONS**

The South Carolina Office of Regulatory Staff ("ORS") hereby requests, pursuant to 26 S.C. Code Ann. Regs. 103-851 and 103-853 (Supp. 2005), that the Applicant answer the following data requests in writing and under oath and serve the undersigned within ten (10) days after service of this data request to ORS at 1441 Main Street, Suite 300, Columbia, South Carolina, 29201. If you are unable to respond to any of the data requests, or part or parts thereof, please specify the reason for your inability to respond and state what other knowledge or information you have concerning the unanswered portion.

As used in these data requests, "identify" means, when asked to identify a person, to provide the full name, title, current address and telephone number of the person. When asked to identify or provide a document, "identify" and "provide" mean to provide a full and detailed description of the document and the name and address of the person who has custody of the document. In lieu of providing a full and detailed description of a document, you may attach to your responses a copy of the document and identify the person who has custody of it. When the word "document" is used herein, it means any written, printed, typed, graphic,

photographic, or electronic matter of any kind or nature and includes, but is not limited to, statements, contracts, agreements, reports, opinions, graphs, books, records, letters, correspondence, notes, notebooks, minutes, diaries, memoranda, transcripts, photographs, pictures, photomicrographs, prints, negatives, motion pictures, sketches, drawings, publications, and tape recordings. As used in this data request, "address" means mailing address and business address.

Wherever in this data request a masculine pronoun or possessive adjective appears, it refers to both males and females in accordance with traditional English usage.

IT IS HEREIN REQUESTED:

- A. That all information shall be provided to the undersigned in the format as requested.
- B. That all responses to the requests below be labeled using the same numbers as used herein.
- C. That each of the enumerated data requests be reproduced at the beginning of each of the responses.
- D. That if the requested information is found in other places or in other exhibits, reference not be made to those, but instead, that the information be reproduced and placed in the data request in the appropriate sequence.
- E. That any inquiries or communications relating to questions concerning clarifications of the data requested below be directed to the undersigned.
- F. That all exhibits be reduced to 8 ½" x 11" format, where practical.
- G. That the requested information be bound in ring binders (loose leaf notebooks) or otherwise suitably bound.
- H. That in addition to the signature and verification at the close of the Company's responses, the Company witness(es) or employee(s) responsible for the information contained in each response be indicated.
- I. That the Company provide to ORS two copies of the responses to this data request as soon as possible but no later than ten (10) days after service thereof.

- J. If the response to any data request is that the information requested is not currently available, please state when the information requested will be available.
- K. This data request shall be deemed to be continuing so as to require the Company to supplement or amend its responses as any additional information becomes available.

### **QUESTIONS**

- 2.1 Provide a list of the total plant in service assets to be transferred to Mr. Jay Salley and Ms. Bonnie Santos to include the 1) date the asset was first devoted to public service ( i.e., date originally placed in service); 2) name of asset; 3) original cost of the asset to the first person devoting it to public service; 4) location of real and personal property; 5) service lives and salvage values of each asset; and 6) recorded accumulated depreciation of each asset.
- 2.2 Will the agreed upon sales price of the utility exceed the net book value of the assets to be transferred?
- 2.3 Do the purchasers of the utility seek special regulatory treatment of any premium of purchase price over the net book value of the assets to be transferred? If so, provide justification for the inclusion of any resulting plant acquisition adjustment.

February 21, 2007

Wendy B. Cartledge  
Wendy B. Cartledge, Esquire  
**South Carolina Office of Regulatory Staff**  
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